



**EMPLOYEE INVENTION, CONFIDENTIALITY,  
NONRAIDING AND NONCOMPETITION AGREEMENT**

In consideration of my employment with DIGEO Broadband Inc. and/or any controlled subsidiary corporation (all of which shall be described as "Company" herein), including the salary, fringe benefits and any bonus payments made and to be made to me, and other good and valuable consideration, I hereby agree on behalf of myself, my heirs, executors, legal representatives and assigns:

Company is in the business of, among other activities, developing and providing broadband internet content delivery services.

During the course of my employment I acknowledge that I have been and will be exposed to and become familiar with various aspects of software programming, concepts, designs, procedures, processes and other forms of information and technology proprietary to Company.

**1. Definitions.**

For purposes of this Agreement:

(a) "Confidential Information" means any type of information or material disclosed to or known by me as a consequence of or through my employment or other retention by Company (including information conceived, originated, discovered, or developed in whole or in part by me), which is not generally known by non-Company personnel and including but not limited to information which relates to Company research, development, trade secrets, know how, inventions, technical data, software, manufacture, purchasing, accounting, engineering, marketing, merchandising or selling, and information entrusted to Company, or its principal officers and employees by third parties.

(b) "Inventions" means original works of authorship, discoveries, concepts, ideas and improvements to existing technology, and all other subject matter ordinarily comprehended by the term "invention", whether or not copyrightable or patentable, including, but not limited to, computer programs, processes, machines, products, compositions of matter, formulae, algorithms, and techniques, as well as improvements thereof, and expressions thereof, which, in whole or in part, are conceived, discovered or developed by me, either alone or with others, and which: (i) relate directly to the business of Company or to Company's actual or demonstrably anticipated research or development, (ii) incorporate, are developed using, or are otherwise based upon, any Confidential Information, (iii) are made, conceived, discovered or developed during times other

than my own time or with the use of any Company equipment, supplies or facilities, including Company resources or personnel, and/or (iv) result from any work performed by me for Company.

## **2. Obligations Regarding Inventions.**

(a) I shall promptly, in such form and detail as is prescribed by Company, record and keep a complete and permanent written record of information relating to the conception, origination, discovery or development of Confidential Information and Inventions. I shall promptly provide the Company with a written report describing in detail each of my Inventions.

(b) With respect to Inventions, and without additional or further consideration: (i) I shall apply, at Company's request and expense, for United States and foreign patents, copyrights, and other legal protection of intellectual property either in my name or otherwise as Company shall direct; (ii) I shall assign (and do hereby assign) to Company all of my rights to such Inventions, and to applications for United States and foreign patents, copyrights, moral rights, and other legal protection of intellectual property granted upon such Inventions, and hereby agree that Company and/or its authorized agent shall have full control over all such applications for United States and foreign patents, copyrights, and other legal protection of intellectual property, including without limitation the right to amend or abandon the same; (iii) I shall sign and deliver promptly to Company such written instruments, testify in any legal proceedings, and do such other acts, as may be necessary in the opinion of Company to secure and maintain for Company exclusive rights in United States and foreign patents, copyrights, and other legal protection of intellectual property for all such Inventions; and (iv) to the extent that an assignment of moral rights is not effective, I hereby forever waive and agree never to assert any and all moral rights I may have in or with respect to any Inventions, even after termination of my work on behalf of the Company.

(c) With respect to any invention which does not constitute an Invention, upon my written request, Company will acknowledge in writing that Company does not have any interest in such invention as described in the request.

## **3. Notice Required by Law**

This Agreement does not apply to an invention developed prior to my employment with Company or to an invention for which no equipment, supplies, facility, or Confidential Information of Company was used and which was developed entirely on my own time, unless: (a) the invention relates directly to the business of Company or to Company's actual or demonstrably anticipated research or development, or (b) the invention results from any work performed by me for the Company.

## **4. Rights of Company Regarding Inventions.**

Company shall have the exclusive right to all Inventions, without additional or further consideration to me, including but not limited to the right to own, make, use, sell, have made, rent, lease or lend, copy, prepare derivative works of, perform or display publicly all Inventions.

## 5. Confidentiality.

(a) Except as required in my duties to Company, I shall not directly or indirectly use, disseminate, or otherwise disclose or make available to any person, firm, corporation or other entity not confidentially bound to Company, any Confidential Information (including Confidential Information related to Inventions) without prior written permission from Company. If I am served with any subpoena or other compulsory judicial or administrative process calling for production of Confidential Information, I will immediately notify Company in order that it may take such action as it deems necessary to protect its interest.

(b) I understand it is Company's policy not to improperly obtain or use confidential, proprietary or trade secret information that belongs to third parties (including my former employers and anyone who entrusted confidential, proprietary or trade secret information to me or my former employers). I shall never knowingly improperly obtain, attempt to obtain, use, disseminate, disclose or transfer to Company confidential, proprietary or trade secret information that belongs to third parties. This paragraph shall not limit my right to use my general knowledge and experience, whether or not gained while employed by any third party.

## 6. Nonraiding of Employees.

I recognize that Company's workforce is a vital part of its business. Therefore, so long as I am an employee of Company, and for twenty-four (24) months after my employment relationship with Company terminates (regardless of the reason for such termination), I will not solicit, directly or indirectly, any employee to leave his or her employment with Company.

## 7. Noncompetition.

(a) Noncompetition While Related to Company. So long as I am an employee of Company, I will not, directly or indirectly, compete with Company in any way.

(b) Noncompetition After Relationship with Company Terminates. For a period of twelve (12) months after termination of my employment relationship with Company, I will not, without the express written consent of the Chief Executive Officer ("CEO") or President of Company, directly or indirectly, in any geographic area where Company's products or services are then marketed, sold, distributed or provided: (i) distribute or propose to distribute Competing Products; (ii) provide or propose to provide Competing Services; (iii) design or develop Competing Products or Competing Services; (iv) work for or with, or provide services or information to, any Competing Company.

(c) Competing Products and Services. For purposes of this Agreement, "Competing Products" means products that compete or will compete with any of Company's then existing or reasonably anticipated products with which I have personal involvement in the course of my employment and/or retention as a consultant or independent contractor by Company. "Competing Services" means services that compete or will compete with any of Company's then existing or

reasonably anticipated services with which I have personal involvement in the course of my employment and/or retention as a consultant or independent contractor by Company.

(d) Competing Companies with Multiple Divisions. Companies that (i) distribute or propose to distribute Competing Products, or (ii) are designing or developing Competing Products or Competing Services or (iii) provide or propose to provide Competing Services are referred to as "Competing Companies." Where a Competing Company has multiple divisions, business units or product work groups, the noncompetition provisions of subparagraph 7(b) above shall apply only to those divisions, business units or product work groups that are involved with Competing Products or Competing Services, provided that I provide written assurances satisfactory to Company that the information and work product I provide to other divisions, business units or product work groups of the competitor will not be shared, directly or indirectly, with the divisions, business units or product work groups involved with Competing Products or Competing Services.

#### **8. Disclosure of Proposed Employment.**

Before I undertake or agree to undertake any other employment, consultancy or independent contractor relationship, with or for a Competing Company, I shall give Company reasonable advance notice of the name of the Competing Company and the general nature of the proposed employment, consultancy or independent contractor relationship. My duty to give notice and disclose under this paragraph shall apply during my employment by Company, and for a period of twelve (12) months after my relationship with Company terminates, regardless of the reason or reasons it terminates.

#### **9. Ownership of Records.**

Upon termination of my employment relationship with Company, or earlier if Company requests, I will deliver to and leave with Company any and all objects, materials, devices, or substances (including without limitation all documents, records, notebooks, recordings, drawings, prototypes, models, schematic diagrams, computer programs and similar repositories or objects, regardless of the media on which they are stored) which describe, depict, contain, constitute, reflect or record Confidential Information, and all copies thereof, then in my possession or under my control, whether or not prepared by me.

#### **10. Injunctive Relief.**

I acknowledge that my breach or threatened breach of this Agreement would cause irreparable injury to Company that could not be adequately compensated by money damages. Accordingly, Company may obtain a restraining order and/or injunction prohibiting my breach or threatened breach of this Agreement, in addition to any other legal or equitable remedies that may be available. I acknowledge that, if my employment or other relationships with Company end, my experience and capabilities are such that I can obtain employment in business activities that do not violate this Agreement, and that an injunction to enforce this Agreement will not prevent me from earning a reasonable livelihood.

**11. No Guarantee of Employment.**

This Agreement may not be construed as an employment agreement, as a guarantee of continued employment, or as a limitation upon Company's discretion with respect to the termination of my employment, it being understood that my employment is terminable at will by either myself or Company.

**12. Consent to Notification.**

I consent to Company giving notification to third parties of the existence and terms of this Agreement. DIGEO will give written notification to me within three (3) business days of the name, address and phone number of third parties that have received such notification.

**13. Legal Expense.**

In any dispute between us arising out of or relating to this Agreement or my employment relationship with Company, the prevailing party shall be entitled to recover from the other party reasonable sums as attorneys' fees and expenses, including expert witness fees, at trial and on appeal.

**14. Waiver of Breach.**

The waiver of any breach of this Agreement or failure to enforce any provision of this Agreement shall not waive any other breach, whether before or after such waiver or failure.

**15. Miscellaneous.**

(a) This Agreement may be modified, supplemented and/or amended only by a writing that both the Company and I sign. This Agreement, as it may be so amended, together with any Employment Agreement (if I have executed an Employment Agreement with the Company), are the complete and final expression of my agreement with Company on the subjects covered, and shall control over any other statement, representation or agreement on these subjects.

(b) This Agreement shall be governed by, and construed under, the laws of the State of Washington without reference to its conflicts of law principles.

(c) Venue and jurisdiction of any lawsuit involving this Agreement or my employment shall exist exclusively in the state or federal courts in King County, Washington.

(d) My obligations under this Agreement supplement and do not supersede or limit other obligations I have to Company or other rights or remedies available to Company, including without limitation under the Trade Secrets Act of any applicable jurisdiction.

(e) The existence of any claim or cause of action by myself against Company shall not constitute a defense to the enforcement of this Agreement or excuse performance of the obligations I have assumed hereunder.

(f) I agree that the terms of this Agreement, including the duration, scope and geographic extent of the nonraiding and noncompetition provisions, is fair and reasonably necessary to protect Company's client relationships, customer relationships, employee relationships, goodwill, Confidential Information, intellectual property rights and other protectable interests in light of all of the facts and circumstances of my relationship with Company. In the event a court declines to enforce any of the terms of this Agreement they shall be deemed to be modified to restrict me to the maximum extent permitted by law. In the event any one or more of the provisions contained in this Agreement shall, for any reason, be held to be totally invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions of this Agreement, but this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

(g) This Agreement shall be effective as of the first day of my employment by the Company, which is \_\_\_\_\_.

(h) This Agreement shall survive the termination of my employment with Company, however caused.

**EMPLOYEE****DIGEO BROADBAND, INC.**Robert E. Novak

(Print Name)

Larry Kruger

(Digeo Signature)

Robert E. Novak

(Signature)

May 3, 2000

(Date)

VP Finance

(Title)

5/3/00

(Date)